

UNITED STATES DEPARTMENT OF JUSTICE
Washington, D.C. 20530

EXHIBIT B

TO REGISTRATION STATEMENT
Under the Foreign Agents Registration Act
of 1938, as amended

INSTRUCTIONS: A registrant must furnish as an Exhibit B copies of each written agreement and the terms and conditions of each oral agreement with his foreign principal, including all modifications of such agreements; or, where no contract exists, a full statement of all the circumstances, by reason of which the registrant is acting as an agent of a foreign principal. This form shall be filed in duplicate for each foreign principal named in the registration statement and must be signed by or on behalf of the registrant.

Name of Registrant	Name of Foreign Principal
United States-Japan Trade Council	Government of Japan

Check Appropriate Boxes:

- ☒ The agreement between the registrant and the above-named foreign principal is a formal written contract. If this box is checked, attach two copies of the contract to this exhibit.
 - ☐ There is no formal written contract between the registrant and foreign principal. The agreement with the above-named foreign principal has resulted from an exchange of correspondence. If this box is checked, attach two copies of all pertinent correspondence, including a copy of any initial proposal which has been adopted by reference in such correspondence.
 - ☐ The agreement or understanding between the registrant and foreign principal is the result of neither a formal written contract nor an exchange of correspondence between the parties. If this box is checked, give a complete description below of the terms and conditions of the oral agreement or understanding, its duration, the fees and the expenses, if any, to be received.
4. Describe fully the nature and method of performance of the above indicated agreement or understanding.

The Council will perform economic research, legislative analysis and carry out public relations activities in furtherance of U.S.-Japan trade, in the interest of Japan.

5. Describe fully the activities the registrant engages in or proposes to engage in on behalf of the above foreign principal.

See Attachment

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6. Will the activities on behalf of the above foreign principal include political activities as defined in Section 1(o) of the Act?^{1/} Yes ☒ No ☐

If yes, describe all such political activities indicating, among other things, the relations, interests or policies to be influenced together with the means to be employed to achieve this purpose.

See answer to Question 5.

Date of Exhibit B	Name and Title	Signature
9/21/76	Allen Taylor Executive Secretary	<i>Allen Taylor</i>

^{1/} Political activity as defined in Section 1(o) of the Act means the dissemination of political propaganda and any other activity which the person engaging therein believes will, or which he intends to, prevail upon, indoctrinate, convert, induce, persuade, or in any other way influence any agency or official of the Government of the United States or any section of the public within the United States with reference to formulating, adopting, or changing the domestic or foreign policies of the United States or with reference to the political or public interests, policies, or relations of a government of a foreign country or a foreign political party.

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CONTRACT

The Embassy of Japan, 2520 Massachusetts Avenue, N.W., Washington, D.C. (hereinafter referred to as the "Embassy") and the United States-Japan Trade Council, 1000 Connecticut Avenue, N.W., Washington, D.C. (hereinafter referred to as the "Council") hereby agree and contract as follows:

1. During the Japanese fiscal year 1976, the Embassy, in order to promote friendly economic relations between Japan and the United States and to encourage the expansion of trade between the two countries, will provide the Council with financial assistance to the extent required, within the overall limitation of U.S. \$418,528.00 actively to further these purposes. In turn, the Council will, during the said fiscal year, carry forward the activities enumerated in paragraph 3.
2. The Embassy will supply the funds to the Council quarterly at the latter's request.
3. The Council accepts the responsibility of advancing the purpose set forth in paragraph 1 by faithfully and efficiently providing the following services:
 - (1) Public relations measures to disseminate throughout the United States information on the economic and trade problems of Japan and the United States;
 - (2) Reports upon activities of the United States Congress and Executive agencies which may in any way affect the United States-Japan trade;

(3) Representation of the interests of all parties involved in trade between the two countries and formal presentation of testimony thereon before the United States Congress and Executive agencies;

(4) Sponsorship of meetings with the press and conferences with other interested persons to discuss the United States-Japan trade and related problems;

(5) Maintenance of close coordination with other organizations and associations having interest in liberal United States foreign trade policies generally and in the United States-Japan trade particularly;

(6) Economic and statistical research on selected problems of significance to the trade between the two countries.

4. After the termination of the period covered by this contract (March 31, 1977), the Council will render an accounting for all funds received hereunder and, if any balance remains, it shall be returned immediately to the Embassy.

5. If at any time the Council fails conscientiously to provide the services enumerated in paragraph 3 or expends the funds received for purposes other than those contemplated by this contract, the Embassy may decrease or suspend the further supply of funds and shall be entitled to the return of any funds not applied in good faith to further the purposes of this contract.

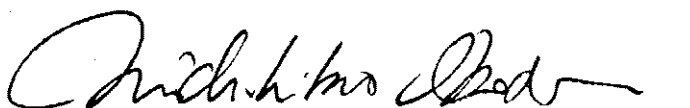
6. Qualified representatives of the Embassy may, whenever necessary and at any time, inspect the Council activities in pursuance of this contract and the accounting records of the

Council dealing with expenditures undertaken hereunder.

7. Conflicts which may arise concerning the interpretation of the terms of this contract or matters related thereto shall be resolved by agreement between the Embassy Counselor whose signature appears below and the Director of the Council whose signature is also affixed hereto.

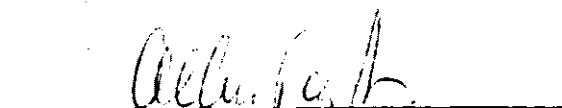
8. This contract shall come into force retroactively as of the first day of April 1976.

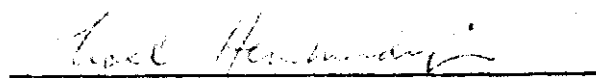
SIGNED AND SEALED in Washington, D.C., September 3, 1976,
on behalf of the Embassy of Japan.


Witness


Mitsuhiro Hazumi, Counselor

SIGNED AND SEALED in Washington, D.C., September 3, 1976,
on behalf of the United States-Japan Trade Council.


Witness


Noel Hemmendinger, Director

Attachment to Exhibit B

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5. In carrying out its functions, the Council engages in the following activities in the interest of the Government of Japan.

1. Preparation and distribution of reports on the Japanese economy, U.S.-Japan economic relations, U.S.-Japan agricultural trade, Japanese foreign economic policy, international monetary developments, legislative and administration actions by the U.S. and Japanese governments relating to economic and trade policy, and investment and business plans of U.S. companies operating in Japan and Japanese companies operating in the U.S. These reports are sent to subscribers to Council publications.

From time to time these reports contain material which are intended to influence sections of the public within the United States with respect to the interests of the Government of Japan and hence qualify as "political propaganda" under the definition contained in Section 1(j) of the Act.

2. Preparation and distribution of pamphlets on certain of the topics mentioned above. Such publications are sent free of charge to a mailing list composed of members of Congress, members of the state legislatures, chambers of commerce, labor unions, newspapers, business firms, trade associations, economists and other interested individuals. These documents are often designed to present to the recipients the Japanese viewpoint on the subjects dealt with.
3. Lobbying or otherwise presenting to members of the Congress and the Executive Branch the Japanese viewpoint on various issues involved in U.S.-Japan relationships. The material dealt with in such lobbying or other presentations includes material dealing with the Japanese economy and Japanese foreign economic policy.
4. Organization of conferences and symposia which will provide forums for a presentation of the Japanese viewpoint on issues involving U.S.-Japan relations and discussion of these issues by others. In organizing these conferences, the Council utilizes the services of Charles von Loewenfeldt, Inc. and Donald Lerch, Inc., public relations firms. Both of these firms are also registered as agents of the Japanese Government under Nos. 810 and 2089, respectively.
5. Speeches by Council officials before various groups on U.S.-Japan relations, advancing the viewpoint of Japan.
6. Preparation of speech drafts for officials of the Japanese Government. Many of these drafts are prepared by Scott Runkle (Washington International Communications, Inc), and Donald Lerch, Inc., both of whom, in addition to their association with the Council, are registered as agents of the Japanese Government under Nos. 2319 and 2089, respectively.

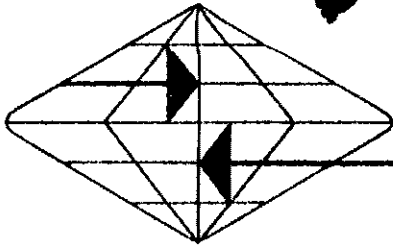
7. Preparation of background material for use by editors, business editors, reporters and columnists containing analysis of current issues in U.S.-Japan economic relations in order to get the Japanese viewpoint across and, hopefully, result in publications based on the materials supplied. Most of this material is prepared by Scott Runkle, Registration No. 2319.
8. Preparation and distribution of film clips, film strips and documentary films to TV stations and schools on various aspects of Japanese life for the purpose of improving the Japanese image in the United States. This material is prepared by Charles von Loewenfeldt, Inc., Registration No. 810.
9. Organization of public and private luncheons on the occasion of visits to the U.S. of high Japanese Government officials.
10. Give advice to the Japanese Government on U.S. political attitudes and prospects, particularly in the field of U.S.-Japan economic relations.
11. In connection with all the above, prepare press releases on Council publications, conferences, speeches by Council officials and various other Council activities. Many of these releases are prepared by Scott Runkle, Registration No. 2319.

The UNITED STATES-JAPAN TRADE COUNCIL, INC. (Council) asks all persons who have attended Council conferences, received its literature, seen Council films, or otherwise dealt with the Council to take note of the following:

On July 13, 1976 the Department of Justice filed a civil complaint in federal court charging the Council, certain of its officials and the Japan Trade Promotion Office (JTPO) and certain of its officials with violations of the Foreign Agents Registration Act (Act) alleging that the registration documents of both the Council and the JTPO filed pursuant to the Act as well as the Council labeling of propaganda material were false and misleading. It was also alleged that during Council appearances before Congressional Committees and governmental agencies Council officials misled these bodies as to whom it represented.

On September 3, 1976, the Council, JTPO and the respective officials charged, without admitting or denying the allegations, consented to entry of a court decree ordering the Council, JTPO and their officials to comply with various provisions of the Foreign Agents Registration Act and requiring defendants to publish this advertisement, notify all parties on Council mailing lists, Congressional and governmental contacts of this law suit and to provide both the latter with amended registration documents for the Council and JTPO. The consent decree recognized, among other things, that the Council, from its inception in 1957 has acted as an agent of the Japanese Government and that it has never been nor is it now a trade association, nor has it been governed by its members. The members of the Council were not and are not now members as such, but merely subscribers to its publications, and have no voice in its operations. The Council receives almost all of its funds from the Japanese Government which exercises general supervision and has ultimate control over its activities. In addition, JTPO served no purpose other than to transmit funds between the Embassy of Japan and Council so as to obscure the connection between the Government of Japan and the Council.

The details of the Council's activities on behalf of the Japanese Government, as well as JTPO's, are contained in amended registration documents filed with the Department of Justice in Room 100, 315 9th St., N.W., Washington, D.C. For those individuals or firms who reside outside of the Washington, D.C. area and wish to review amended Council and JTPO registration documents, copies of such material may be obtained free of charge by writing the United States-Japan Trade Council, Inc., 1000 Connecticut Avenue, N.W., Washington, D.C. 20036.



UNITED STATES-JAPAN TRADE COUNCIL


September 10, 1976

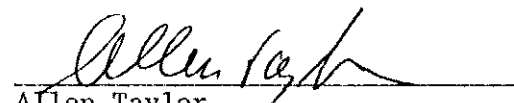
TO RECIPIENTS OF COUNCIL PUBLICATIONS

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Noel Hemmendinger
Director


Allen Taylor
Executive Secretary